



Air Media Financial Status

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Missouri Department of Natural Resources

Air Pollution Control Program

July 21, 2005

AIR POLLUTION CONTROL PROGRAM FUND ANALYSIS - "ALL MONIES RECEIVED"

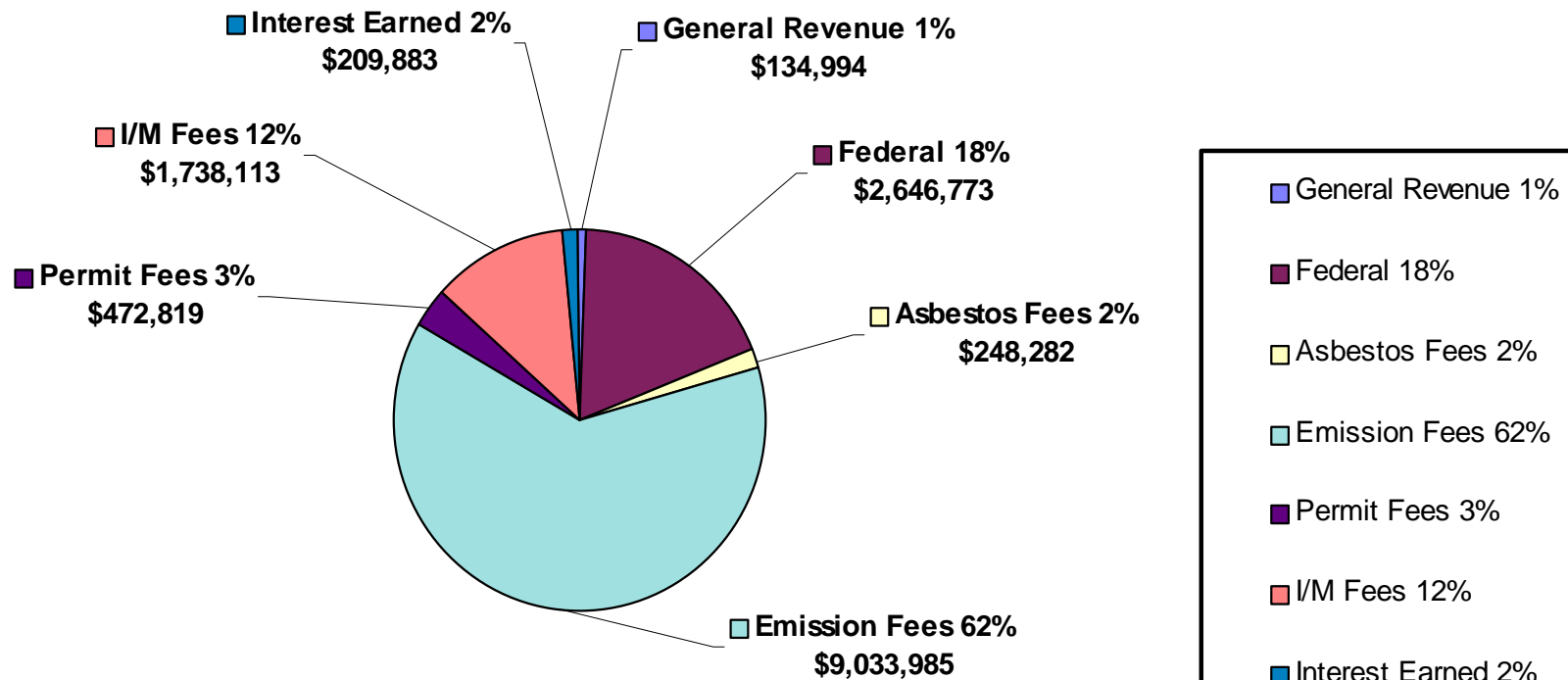
This annual presentation of revenues and expenditures for all program funds fulfills the requirement of Statute 643, Section 79 of the Revised Statute of MO.

This Statute requires the emission fee to be set to fund the cost of administering Sections 10 to 190.

Subsection 1: Authorizes that the emission fee can be set from \$25 to \$40 per ton.

FY2004 Seven Sources of Revenue "All Funds"

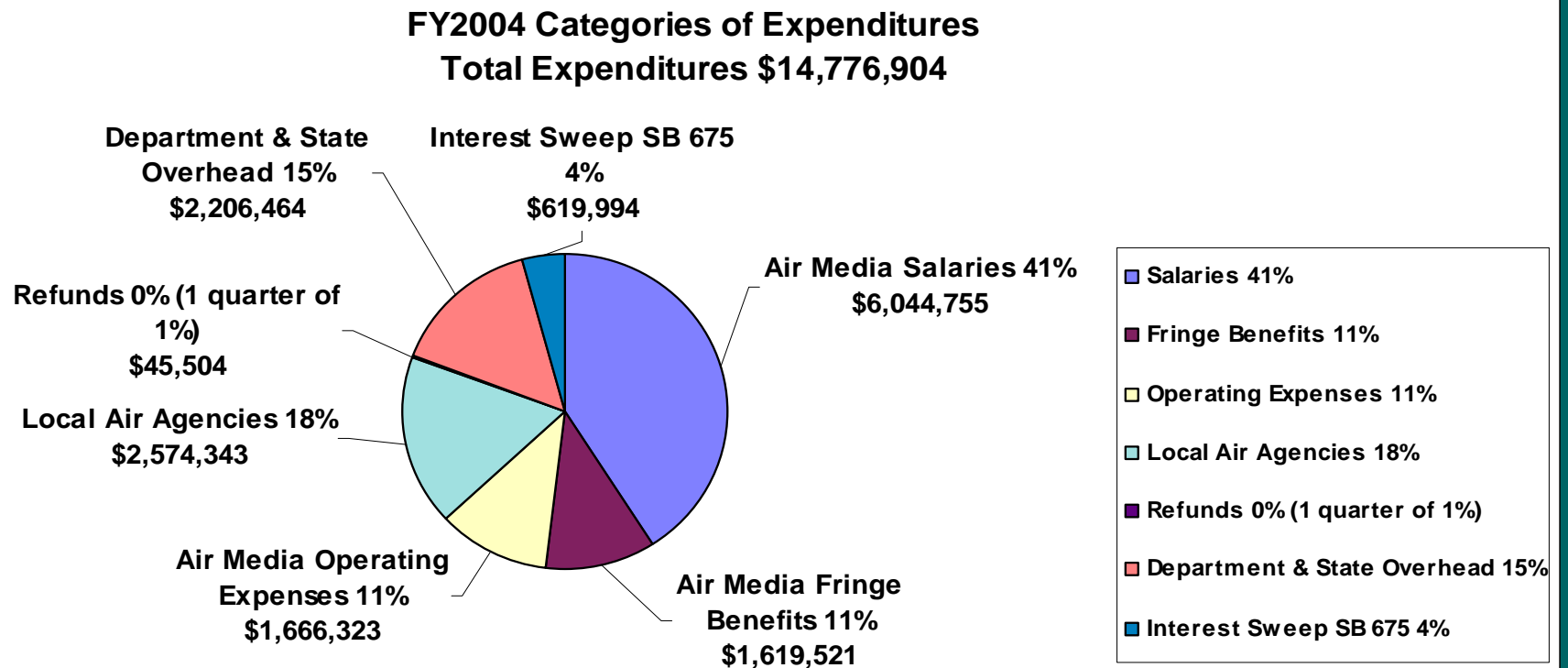
FY2004 Sources of Revenue
Total Revenue \$14,484,849



Path: Fund Projections/History93_2004 Tab

FY2004 Expenditures "All Funds"

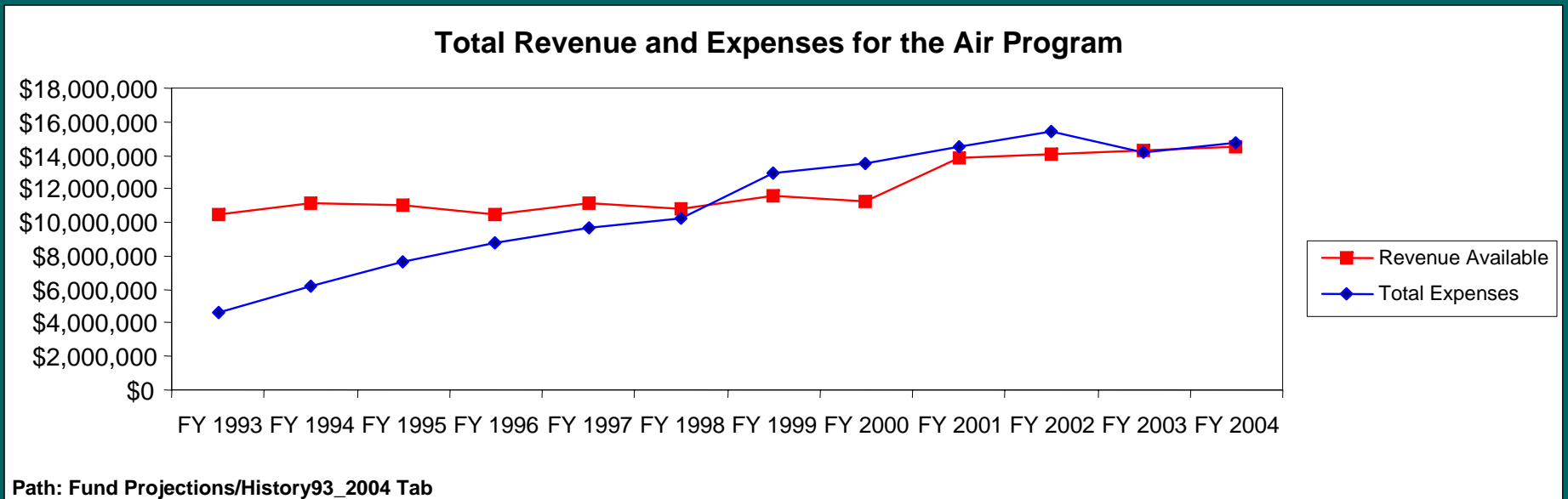
(Funded by the Seven Sources of Revenue)



Path: Fund Projections/History93_2004

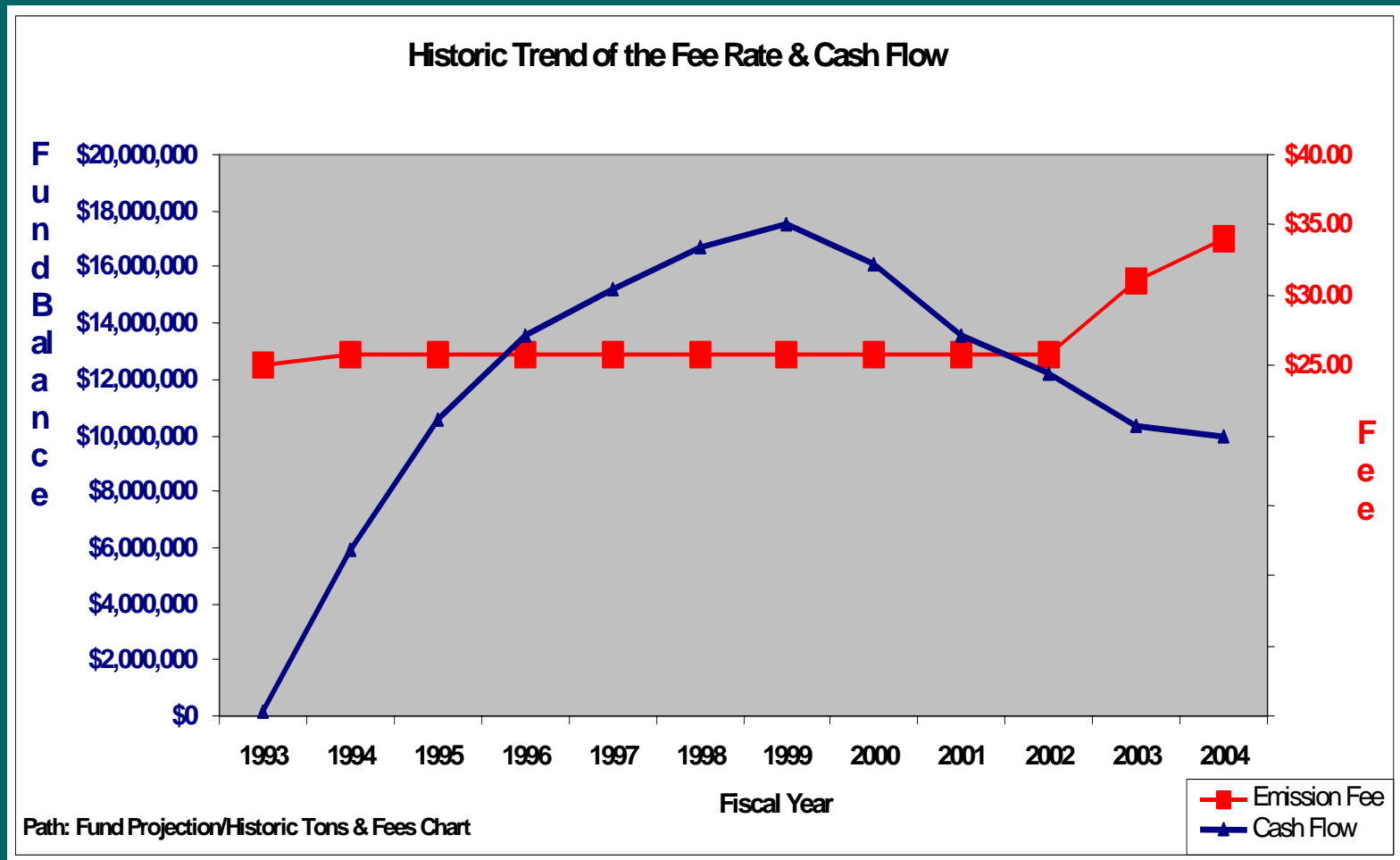
Salaries, Fringe, and Operating Expenses include all Air Media with the exception of the Local Air Agencies and Non-Profit.

History of Revenue and Expenditures "All Funds"



General Revenue, Federal, Asbestos Fees, Emission Fees,
Permit Fees, I/M Fees, and Interest Earned

History of Emission Fee Rate and Cash Flow "Fee Fund" only

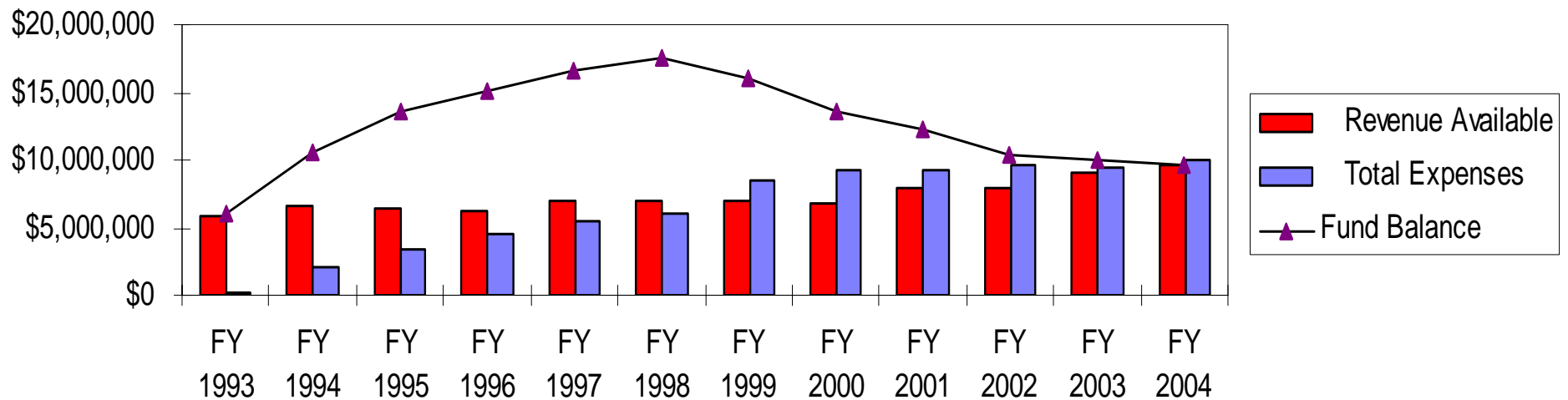


Note: Fund Balance = Fiscal Year Cash Flow

Emission & Permit Fee Fund

History of "Fee Fund" Revenue, Expenditures, and Cash Flow

Natural Resource Protection Fund - Permit and Emission Fees



Path: Fund Projections/0594_Fund Tab

Note: Fund Balance = Fiscal Year Cash Flow

Emission & Permit Fee Fund

FY2004 "Fee Fund" Activity

Permit and Emission Fee Fund	<u>FY 2004</u>
<u>Fund Balance as of July 1, 2003</u>	\$9,984,934
<u>Revenue</u>	
Permit Fees	\$472,819
Emission Fees	\$9,033,985
Interest Earned	<u>\$145,565</u>
<u>Total Revenue</u>	\$9,652,369
<u>Expenses</u>	
Salaries	\$4,207,372
Fringe Benefits	\$1,344,688
Operating Expenses	\$1,144,263
Local Air Agencies	\$1,509,748
Refunds	\$37,096
Department & State Overhead	<u>\$1,843,103</u>
<u>Total Expenses</u>	\$10,086,270
Revenue Under Expend.	(\$433,901)
<u>Fund Balance as June 30, 2004</u>	\$9,551,033

Emission & Permit Fee Fund

Emission Calendar Year 2003 Financials (April 2004 - March 2005)

		EPA Region VII Fee	\$38.72				\$39.56								
		DNR Fee per Ton	\$34				\$33.00								
			Fiscal Year 2004				Fiscal Year 2005								
Emission Year 2003 Receipts			Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Total
Fund Balance			\$6,227,380												
Revenue Sources															
Permit Fees			\$ 42,601	\$ 20,100	\$ 201,600	\$ 34,950	\$ 23,750	\$ 16,725	\$ 39,000	\$ 119,625	\$ 35,588	\$ 71,684	\$ 16,863	\$ 28,725	\$ 651,209
Emission Fees			\$ 5,943,424	\$ 9,599	\$ 14,048	\$ 11,597	\$ 7,118	\$ 3,313	\$ 4,284	\$ 38,043	\$ 170	\$ 29,942	\$ 42,057	\$ 126,743	\$ 6,230,338
Interest Earned			\$ 9,829	\$ 10,374	\$ 8,860	\$ 10,652	\$ 16,411	\$ 12,856	\$ 10,907	\$ 14,628	\$ 13,593	\$ 11,829	\$ 14,834	\$ 11,288	\$ 146,061
Total Revenue			\$ 5,995,854	\$ 40,073	\$ 224,507	\$ 57,199	\$ 47,279	\$ 32,894	\$ 54,191	\$ 172,296	\$ 49,351	\$ 113,455	\$ 73,753	\$ 166,756	\$ 7,027,607
Expenses and Encumbrances															
Salaries			\$351,124	\$349,236	\$351,921	\$355,222	\$361,064	\$358,382	\$358,641	\$330,241	\$328,773	\$335,188	\$341,097	\$352,719	\$4,173,608
Fringe Benefits			\$111,278	\$112,822	\$109,814	\$125,353	\$127,456	\$133,199	\$124,650	\$121,609	\$126,441	\$131,375	\$134,330	\$139,526	\$1,497,854
Operating Expenses			\$88,432	\$108,648	\$98,245	\$32,013	\$51,992	\$58,466	\$47,750	\$51,300	\$67,947	\$27,763	\$72,399	\$84,891	\$789,848
Facility Expenses			\$0	\$0	\$0	\$178	\$2,796	\$38,277	\$23,280	\$26,419	\$8,752	\$31,336	\$10,722	\$7,319	\$149,080
Grants to Local Air Agencies			\$260,018	\$122,004	\$357,044	\$0	\$51,192	\$63,951	\$149,432	\$119,027	\$29,308	\$59,265	\$4,534	\$392,381	\$1,608,157
Refunds			\$3,472	\$168	\$813	\$10,302	\$34	\$7,105	\$4,013	\$2,589	\$4,455	\$680	\$0	\$21,376	\$55,007
Department & State Overhead			\$195,913	\$53,502	\$262,328	\$31,082	\$82,515	\$81,091	\$115,479	\$122,573	\$106,548	\$114,047	\$119,596	\$116,237	\$1,400,912
Total Expenses			\$1,010,237	\$746,380	\$1,180,164	\$554,151	\$677,050	\$740,472	\$823,246	\$773,758	\$672,224	\$699,655	\$682,677	\$1,114,450	\$9,674,465
Revenue Over/(Under) Expend.			\$4,985,617	(\$706,308)	(\$955,657)	(\$496,952)	(\$629,771)	(\$707,578)	(\$769,055)	(\$601,462)	(\$622,874)	(\$586,200)	(\$608,924)	(\$947,694)	(\$2,646,857)
Fund Balance			\$11,212,998	\$10,506,690	\$9,551,033	\$9,054,082	\$8,424,311	\$7,716,732	\$6,947,677	\$6,346,215	\$5,723,342	\$5,137,141	\$4,528,217	\$3,580,523	\$3,580,523

Emission & Permit Fee Fund Actual Revenue & Expenditures

Emission Calendar Year 2004 Financials (April 2005 - March 2006)

\$33.00 Rate

		EPA Region VII Fee	\$39.56			\$40.41									
		DNR Fee per Ton	\$33.00			\$33.00									
			Fiscal Year 2005			Fiscal Year 2006									
Emission Year 2004 Receipts			Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Total
Fund Balance			\$3,580,523												
Revenue Sources															
Permit Fees			\$23,434	\$23,434	\$23,434	\$34,950	\$23,750	\$16,725	\$39,000	\$119,625	\$35,587	\$71,683	\$16,862	\$28,725	\$457,208
Emission Fees			\$8,272,731	\$9,600	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,297,331
Interest Earned			\$22,684	\$22,426	\$10,458	\$17,792	\$16,024	\$14,233	\$12,455	\$14,628	\$9,106	\$7,370	\$5,611	\$3,804	\$156,592
Total Revenue			\$8,318,849	\$55,460	\$48,892	\$52,742	\$39,774	\$30,958	\$51,455	\$134,253	\$44,693	\$79,053	\$22,473	\$32,529	\$8,911,132
Expenses and Encumbrances															
Salaries			\$353,000	\$353,000	\$353,000	\$379,949	\$379,949	\$379,949	\$379,949	\$379,949	\$379,949	\$379,949	\$379,949	\$379,949	\$4,478,537
Fringe Benefits			\$154,069	\$154,069	\$154,069	\$148,939	\$148,939	\$148,939	\$148,939	\$148,939	\$148,939	\$148,939	\$148,939	\$148,939	\$1,802,662
Operating Expenses			\$50,036	\$50,036	\$50,036	\$59,328	\$59,328	\$59,328	\$59,328	\$59,328	\$59,328	\$59,328	\$59,328	\$59,328	\$684,062
Facility Expenses			\$47,527	\$47,527	\$47,527	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$390,311
Grants to Local Air Agencies			\$256,970	\$256,970	\$256,970	\$136,667	\$136,667	\$136,667	\$136,667	\$136,667	\$136,667	\$136,667	\$136,667	\$136,667	\$2,000,910
Refunds			\$30,000	\$4,064	\$4,064	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$82,141
Department & State Overhead			\$136,682	\$136,682	\$136,682	\$138,520	\$138,520	\$138,520	\$138,520	\$138,520	\$138,520	\$138,520	\$138,520	\$138,520	\$1,656,723
Total Expenses			\$1,028,285	\$1,002,349	\$1,002,349	\$895,818	\$895,818	\$895,818	\$895,818	\$895,818	\$895,818	\$895,818	\$895,818	\$895,818	\$11,095,344
Revenue Over/(Under) Expend.			\$7,290,565	(\$946,889)	(\$953,457)	(\$843,076)	(\$856,044)	(\$864,860)	(\$844,363)	(\$761,565)	(\$851,125)	(\$816,765)	(\$873,345)	(\$863,289)	(\$2,184,212)
Fund Balance			\$10,871,088	\$9,924,199	\$8,970,741	\$8,127,666	\$7,271,622	\$6,406,762	\$5,562,399	\$4,800,834	\$3,949,709	\$3,132,944	\$2,259,599	\$1,396,311	\$1,396,311

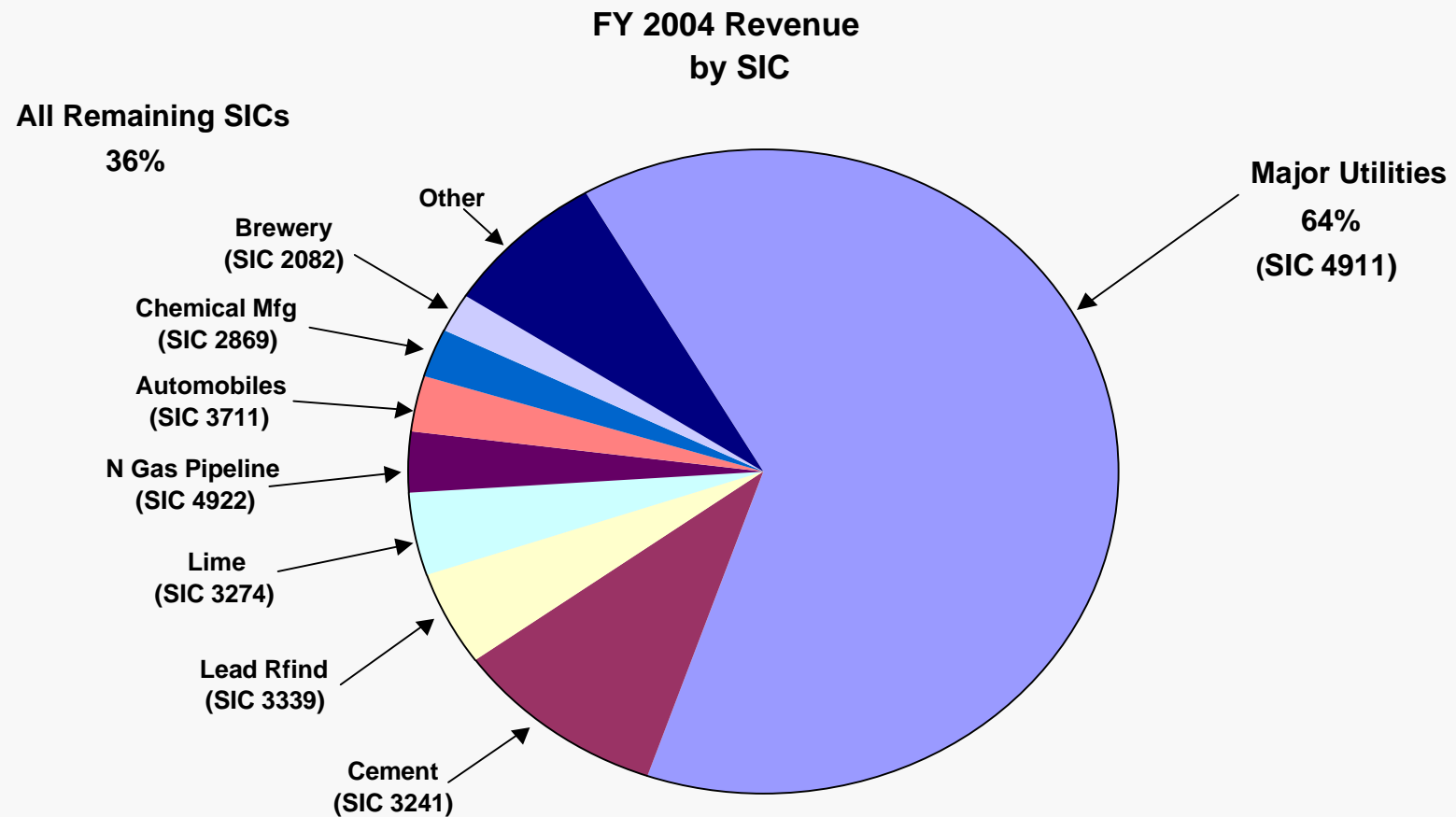
Emission & Permit Fee Fund
\$33.00 Current Fee Rate

Emission Calendar Year 2005 Financials (April 2006 - March 2007)

		EPA Region VII Fee	\$40.41			\$41.28									
		DNR Fee per Ton	\$33.00			\$33.00									
			Fiscal Year 2006			Fiscal Year 2007									
Emission Year 2005 Receipts			Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Total
Fund Balance			\$1,396,311												
Revenue Sources															
Permit Fees			\$23,434	\$23,434	\$23,434	\$34,546	\$23,475	\$16,531	\$38,549	\$118,241	\$35,175	\$70,853	\$16,667	\$28,393	\$452,732
Emission Fees			\$3,053,160	\$0	\$5,427,840	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,481,000
Interest Earned			\$45,000	\$6,637	\$47,579	\$14,433	\$12,653	\$10,851	\$9,060	\$14,720	\$5,693	\$3,945	\$2,174	\$355	\$173,099
Total Revenue			\$3,121,594	\$30,071	\$5,498,853	\$48,979	\$36,128	\$27,382	\$47,609	\$132,961	\$40,868	\$74,798	\$18,841	\$28,748	\$9,106,831
Expenses and Encumbrances															
Salaries			\$379,949	\$379,949	\$379,949	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$4,610,678
Fringe Benefits			\$148,939	\$148,939	\$148,939	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$1,807,384
Operating Expenses			\$59,328	\$59,328	\$59,328	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$680,958
Facility Expenses			\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$330,306
Grants to Local Air Agencies			\$136,667	\$136,667	\$136,667	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$1,658,453
Refunds			\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$58,681
Department & State Overhead			\$138,520	\$138,520	\$138,520	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$1,620,721
Total Expenses			\$895,818	\$895,818	\$895,818	\$897,747	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$10,767,181
Revenue Over/(Under) Expend.			\$2,225,776	(\$865,747)	\$4,603,035	(\$848,768)	(\$861,619)	(\$870,366)	(\$850,138)	(\$764,787)	(\$856,880)	(\$822,950)	(\$878,907)	(\$869,000)	(\$1,660,349)
Fund Balance			\$3,622,087	\$2,756,340	\$7,359,375	\$6,510,608	\$5,648,988	\$4,778,622	\$3,928,484	\$3,163,698	\$2,306,818	\$1,483,868	\$604,961	(\$264,039)	(\$264,039)

Emission & Permit Fee Fund
\$33.00 Current Fee Rate

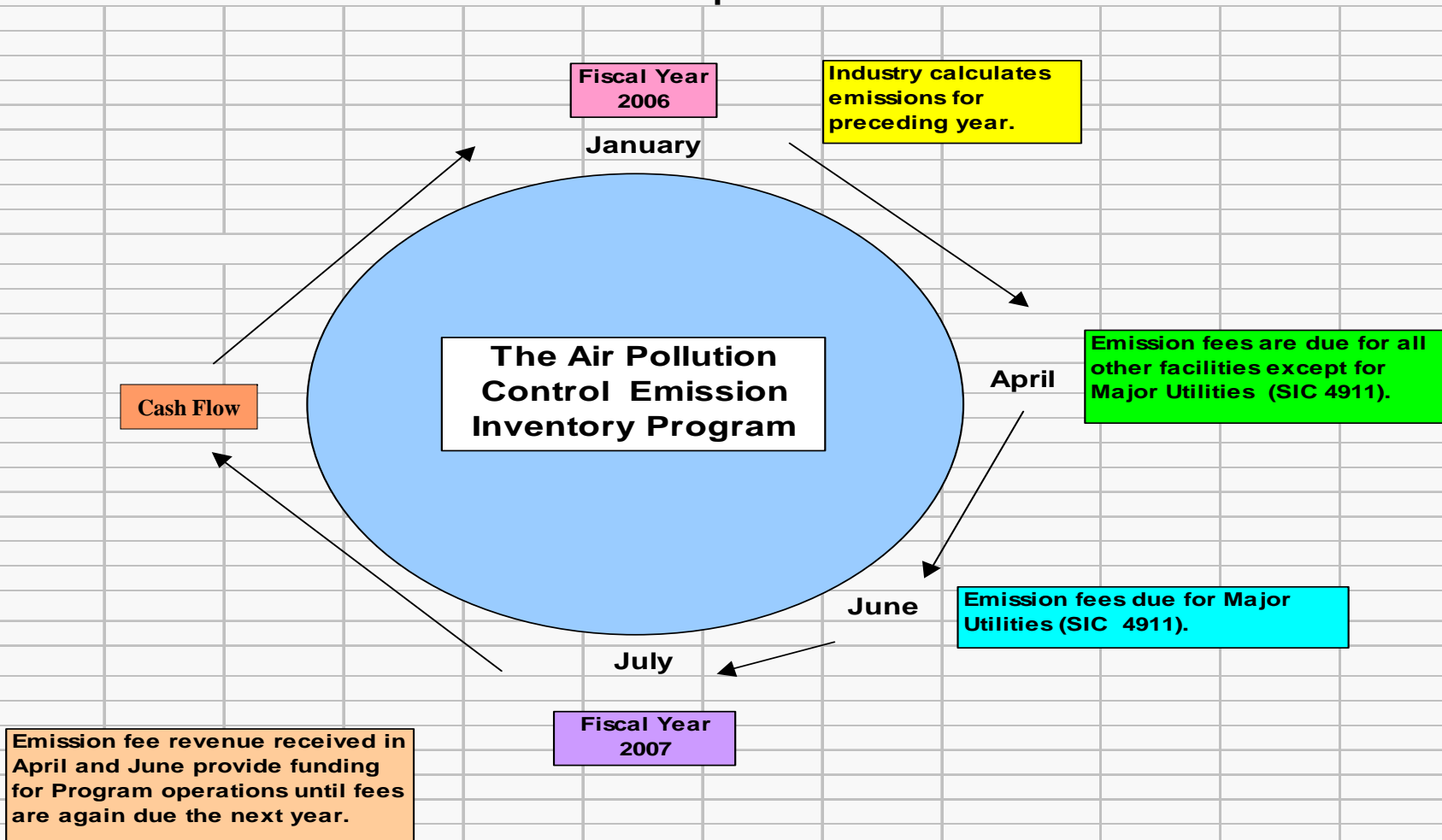
FY2004 Revenue by Standard Industrial Code (SIC)



Emission Inventory Processing Cycle

Proposed Inventory Emission Processing Cycle

Air emission fees for the emissions during the preceding Calendar Year would be due April 1 and June 1



Emission Year 2005 Financials (April 2006 - March 2007)

	EPA Region VII Fee per Ton	\$40.41			\$41.28									
	DNR Fee per Ton	\$35.50			\$35.50									
		Fiscal Year 2006			Fiscal Year 2007									
Emission Year 2005 Receipts		Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Total
Fund Balance	\$1,396,468													
Revenue Sources														
Permit Fees		\$23,434	\$23,434	\$23,434	\$34,546	\$23,475	\$16,531	\$38,549	\$118,241	\$35,175	\$70,853	\$16,667	\$28,393	\$452,732
Emission Fees		\$4,255,278	\$0	\$4,868,222	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,123,500
Interest Earned		\$45,000	\$9,142	\$53,103	\$15,788	\$14,011	\$12,212	\$10,425	\$14,720	\$7,059	\$5,314	\$3,546	\$1,730	\$192,052
Total Revenue		\$4,323,712	\$32,576	\$4,944,759	\$50,334	\$37,486	\$28,743	\$48,974	\$132,961	\$42,234	\$76,167	\$20,213	\$30,123	\$9,768,284
Expenses and Encumbrances														
Salaries		\$379,949	\$379,949	\$379,949	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$385,648	\$4,610,678
Fringe Benefits		\$148,939	\$148,939	\$148,939	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$151,174	\$1,807,384
Operating Expenses		\$59,328	\$59,328	\$59,328	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$55,886	\$680,958
Facility Expenses		\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$27,526	\$330,306
Grants to Local Air Agencies		\$136,667	\$136,667	\$136,667	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$138,717	\$1,658,453
Refunds		\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$4,890	\$58,681
Department & State Overhead		\$138,520	\$138,520	\$138,520	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$133,907	\$1,620,721
Total Expenses		\$895,818	\$895,818	\$895,818	\$897,747	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$897,748	\$10,767,181
Revenue Over/(Under) Expend.		\$3,427,894	(\$863,242)	\$4,048,941	(\$847,412)	(\$860,261)	(\$869,004)	(\$848,774)	(\$764,787)	(\$855,513)	(\$821,580)	(\$877,534)	(\$867,624)	(\$998,897)
Fund Balance		\$4,824,362	\$3,961,120	\$8,010,061	\$7,162,649	\$6,302,388	\$5,433,383	\$4,584,609	\$3,819,823	\$2,964,310	\$2,142,729	\$1,265,195	\$397,571	\$397,571

Emission & Permit Fee Fund
\$35.50 Fee Rate

Comparison of Emission Fee: EPA Rate

EPA's fee for Emission Year 2005 is \$39.61 per ton, which is the original \$25 fee from 1990 and adjusted yearly for changes in the CPI.

The Current Emission Fee would be \$39.61 per ton if the federal government administered the program.

Projected Impact on Small Business

The total emission fee paid by small business for CY 2003 was \$262,718. The average payment was \$238 and the average tons were 7.

The average payment would be \$248.50 at the proposed \$35.50 per ton fee rate for CY 2005.

Revised Statute of MO 643, Section 20, Subsection 38:

Definition of Small Business:

- < 100 employees,
- < 75 tons/year aggregate emissions,
- < 50 tons/year any single pollutant.

Conclusion

The proposed rule was filed May 16, 2005, and if after considering testimony, the Commission approves, the CY 2005 Emission Fee will be set at \$35.50 per ton of reported emissions with an April 1 or June 1 due date.

The End